

**CITY COUNCIL OF THE CITY OF SAN DIEGO  
SUPPLEMENTAL DOCKET NUMBER 1  
FOR THE REGULAR MEETING OF  
MONDAY, SEPTEMBER 20, 2004 AT 2:00 P.M.  
CITY ADMINISTRATION BUILDING  
COUNCIL CHAMBERS – 12<sup>TH</sup> FLOOR  
202 “C” STREET  
SAN DIEGO, CA 92101**

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**SPECIAL ORDER OF BUSINESS**

ITEM-S400: K2 Inc. Day.

**MAYOR MURPHY’S AND COUNCILMEMBER PETERS’ RECOMMENDATION:**

Adopt the following resolution:

(R-2005-293)

Recognizing K2 Inc.’s selfless donation of sporting goods to the youth of San Diego;

Proclaiming September 20, 2004, to be “K2 Inc. Day” in the City of San Diego.

ADOPTION AGENDA, CONSENT ITEMS

RESOLUTION:

\* ITEM-S401: Code Enforcement Week.

**MAYOR MURPHY'S RECOMMENDATION:**

Adopt the following resolution:

(R-2005-292)

Recognizing the accomplishments and proactive involvement of all Code Enforcement Personnel, volunteers, and community groups in our City;

Proclaiming September 20-24, 2004, to be "Code Enforcement Week" in the City of San Diego.

**ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS**

**RESOLUTION:**

ITEM-S402: In the Matter of the Vinson & Elkins Report on Investigation of Disclosure and Disclosure Practices.

**CITY ATTORNEY'S RECOMMENDATION:**

Adopt the following resolution:

(R-2005-301)

Receiving the "Report on Investigation - The City of San Diego California's Disclosures of Obligation to Fund the San Diego City Employee's Retirement System and Related Disclosure Practices 1996-2004 with Recommended Procedures and Changes to the Municipal Code," prepared by Paul S. Maco and Richard C. Sauer of Vinson & Elkins, LLP (the "Report");

Directing the City Attorney to return to the City Council on September 27, 2004, with the necessary and appropriate actions to implement the recommendations set forth in the Report;

Directing the City Manager, Acting City Auditor and Comptroller, City Treasurer, and City Attorney, to study the Report and return to the City Council on September 27, 2004, with any necessary or appropriate comment on the recommendations set forth therein.

**SUPPORTING INFORMATION:**

In early February of this year, following the discovery of errors in the City's Fiscal Year 2002 Consolidated Annual Financial Report, and prior to being informed of an investigation by the Securities and Exchange Commission and U.S. Attorney's Office, the City sought expert legal advice to address the sufficiency of the City's financial disclosure. The City retained the services of Mr. Paul Maco, Esq., and the law firm of Vinson & Elkins to investigate and report on the City's disclosure and disclosure practices from 1996 through the present. Mr. Maco is the former head of the Office of Municipal Securities at the SEC. The report was to include appropriate recommendations to address disclosure issues that may have come to light during the course of the investigation.

Vinson & Elkins has finalized its report, and is prepared to present it to the City Council. The report and presentation include recommendations for City Council consideration.

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